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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in LC Logistics, Inc., you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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LC Logistics, Inc.
乐舱物流股份有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2490)

MAJOR TRANSACTION
IN RELATION TO
THE ACQUISITION OF TWO VESSELS

Capitalised terms on this cover page shall have the same meanings as those defined in "Definitions" in this circular, unless the context requires otherwise.

The 2026 Shipbuilding Agreements have been approved by way of written shareholders' approval obtained from Lecang Altitude Limited, Lecang Fantasy, Glorious Sailing Limited, Lecang Shining Limited and Lecang Flourishing Limited in lieu of a general meeting of the Company pursuant to Rule 14.44 of the Listing Rules. This circular is being despatched to the Shareholders for information only.

20 March 2026

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In this circular, the following expressions have the following meanings unless the context indicates otherwise:

"2026 Shipbuilding Agreements"	the two shipbuilding agreements dated 27 February 2026 and the two corresponding addendum dated 27 February 2026, which are identical in all material respect, entered into among the Company, China Shipbuilding and Shanghai Waigaoqiao in relation to the order for construction of the Acquired Vessels
"Acquired Vessels"	the two large container vessels, with Hull No. H1664 and Hull No. H1665 respectively, each with a capacity of 11,000 TEUs to be constructed as contemplated under the 2026 Shipbuilding Agreements
"Acquisition Refund Guarantee"	A bank designated by Shanghai Waigaoqiao and China Shipbuilding under the 2026 Shipbuilding Agreements for the purpose of guaranteeing the refund of the instalments paid for the purchase of the Acquired Vessels pursuant to the 2026 Shipbuilding Agreements
"Acting in Concert Deed"	the acting in concert deed dated 15 October 2022 and executed by Mr. Xu Xin (許昕), Ms. Li Yan (李艷) and Ms. Liu Quanxiang (劉泉香), details of which have been disclosed in the Prospectus
"Announcement"	the announcement of the Company dated 27 February 2026 in relation to the 2026 Shipbuilding Agreements
"BAL Qingdao"	BAL QINGDAO SHIPPING ENTERPRISE CO. LIMITED (博亞青島航運有限公司) (formerly known as BAL QINGDAO SHIPPING ENTERPRISE CO., LIMITED), a company incorporated in Hong Kong with limited liability on 20 December 2019 and an indirect non-wholly owned subsidiary of the Company
"Boan Shipping"	BOAN SHIPPING ENTERPRISE CO., LIMITED (博安航運有限公司), a company incorporated in Hong Kong with limited liability on 17 December 2018 and an indirect non-wholly owned subsidiary of the Company
"Board"	the board of directors of the Company

"China Shipbuilding"	China Shipbuilding Trading Co., Ltd. (中國船舶工業貿易有限公司), a corporation organized and existing under the laws of the PRC
"Company"	LC Logistics, Inc. (乐舱物流股份有限公司), an exempted company incorporated in the Cayman Islands with limited liability
"connected person"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholders"	Mr. Xu Xin, Ms. Li Yan, Ms. Liu Quanxiang, Lecang Boundless Limited, Lecang Fantasy, Grand Sailing Limited, Lecang Altitude Limited, Peace Seaworld Limited, Lecang Shining Limited, Spring Wealth Limited, Lecang Flourishing Limited and Glorious Sailing Limited
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Parties"	individual(s) or company(ies) which, to the best of our Directors' knowledge, information, and belief, having made all reasonable enquiries, is/are independent of the Company and its connected persons
"Jiangnan Shipyard"	Jiangnan Shipyard (Group) Co., Ltd. (江南造船(集團)有限責任公司), a corporation organized and existing under the laws of the PRC
"Latest Practicable Date"	19 January 2026, being the latest practicable date for ascertaining certain information referred to in this circular
"Lecang Fantasy"	Lecang Fantasy Limited, a company incorporated in the British Virgin Islands with limited liability
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

"PRC"	the People's Republic of China, and for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Prospectus"	the prospectus of the Company dated 13 September 2023
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shanghai Waigaoqiao"	Shanghai Waigaoqiao Shipbuilding Company Limited, a corporation organized and existing under the laws of the PRC
"Shareholder(s)"	shareholder(s) of the Company
"Shares"	ordinary shares of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TEU(s)"	twenty-foot equivalent unit, a standard unit of measurement of the volume of a container with a length of 20 feet, height of eight feet six inches and width of eight feet
"US$"	United States dollar, the lawful currency of the United States of America
"%"	per cent

LC Logistics, Inc.
乐舱物流股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2490)

Executive Directors:
Mr. Xu Xin
Ms. Li Yan
Ms. Zhu Jiali
Mr. Yu Zhenrong

Independent Non-executive Directors:
Dr. Gu Lin
Dr. Yang Kequan
Mr. Qi Yinliang

Registered office:
Cricket Square
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KY1-1111
Cayman Islands

Headquarters and principal place of business in the PRC:
9/F, China Stone Building
37 Hong Kong Middle Road
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Qingdao, Shandong Province
PRC

Principal place of business in Hong Kong:
31/F., Tower Two
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

20 March 2026

To the Shareholders,

Dear Sir or Madam,

MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF TWO VESSELS

INTRODUCTION

Reference is made to the Announcement. The purpose of this circular is to provide you with (i) further details of the 2026 Shipbuilding Agreements; and (ii) other information required under the Listing Rules.

2026 Shipbuilding Agreements

The principal terms of the 2026 Shipbuilding Agreements are identical in all material respect, which are summarized as follows:

Date:	27 February 2026
Parties:	The Company or its nominee (as purchaser); Shanghai Waigaoqiao; and China Shipbuilding (together with Shanghai Waigaoqiao, as sellers) As at the Latest Practicable Date, BAL Qingdao has been appointed as the designated nominee for Hull No. H1664 and Boan Shipping has been appointed as the designated nominee for Hull No. H1665.
Subject Matter:	Shanghai Waigaoqiao and China Shipbuilding shall build, launch, equip and complete the Acquired Vessels with specifications as fully described in the 2026 Shipbuilding Agreements, and sell and deliver to the Company the Acquired Vessels after their completion and trial.
Description:	The Acquired Vessels are 11,000 TEU container vessels, at scantling draft moulded of 15.5 meters. The guaranteed service speed is to be not less than 21.0 nautical miles per hour. The Acquired Vessels are to have a deadweight of not less than 120,730 metric tons at the scantling draft moulded of 15.5 meters in sea water of 1.025 specific gravity at even keel condition.
Payment:	The aggregate purchase price of the Acquired Vessels is US$236 million. The first instalment being US$47.2 million in aggregate shall become due and payable within three banking days after the Company (or its designated bank) having received the Acquisition Refund Guarantee. The second instalment being US$23.6 million in aggregate shall become due and payable within three banking days after the cutting of the first steel plate of the Acquired Vessels. The third instalment being US$23.6 million in aggregate shall become due and payable within three banking days after keel-laying of the first section of the Acquired Vessels. The fourth instalment being US$23.6 million in aggregate shall become due and payable within three banking days after the launch of the Acquired Vessels.

	The fifth instalment being US$118 million in aggregate and other cost or expenses (if any) shall become due and payable concurrently with delivery of the Acquired Vessels. To secure the execution of the 2026 Shipbuilding Agreements, the Company has entered into a letter of intent with Shanghai Waigaoqiao and China Shipbuilding on 2 December 2025 and made a deposit in the amount of US$3 million to Shanghai Waigaoqiao and China Shipbuilding which shall be applied to satisfy part of the first instalment under the 2026 Shipbuilding Agreements.
Expected delivery date:	The Acquired Vessels shall be delivered safely afloat by Shanghai Waigaoqiao and China Shipbuilding to the purchaser at the Shanghai Waigaoqiao's shipyard on or before 30 November 2028 (for Hull No. H1664) and on or before 30 April 2029 (for Hull No. H1665).

The consideration

The total consideration for the acquisition of the Acquired Vessels are US$236 million (each of which is US$118 million), which was determined by reference to the market valuation certificate (the "**Certificate**") issued by a industry-recognised research institution, VesselsValue Limited ("**VesselsValue**"), as at 8 December 2025 in the amount of US$126.86 million per vessel.

There are three generally-adopted methods for appraising the asset value, namely the market approach, the income approach, and the cost approach. These three approaches measure asset value from different perspectives. Theoretically, in a perfect scenario, the results yielded by the three approaches should be nearly identical. However, due to market conditions, the purpose of the appraisal, the target being evaluated, the information available, the outcomes of these three approaches can vary significantly.

Pursuant to the cost approach, the value of asset is calculated by the sum of the replacement cost of the asset on the base date, management costs, and capital costs which is a more appropriate methodology for appraisal of the vessels under the construction. As the Acquired Vessels are yet to be constructed, all these data are not available and the cost approach is therefore not applicable. For the same reason, the income approach is also not appropriate for appraising the value of the Acquired Vessels.

The market approach will require sufficient information and comparable transactions for determining the value of asset. However, there are very limited ultra large container vessel transactions for comparison in the market. Meanwhile, there are many factors which may affect the value of a vessel including but not limited to the age, the size, the equipment, the shipyard

where the vessel was originally built and the date for next drydocking inspection. Such information is private to the transaction parties and may not be obtained by the Company for comparison purpose. Thus, the market approach is not practicable for appraising the value of the Acquired Vessels.

Accordingly, there are no valuers in the market who are able to conduct a valuation of vessels for which construction has not yet commenced. In general, the valuation of such vessels is based on reference to data published by industry-recognised research institutions. In this regard, the Company has engaged VesselsValue to conduct a specific valuation on the Acquired Vessels.

Based on the Certificate, VesselsValue obtained 10 previous sales in the same sector as the Acquired Vessels. Details of which are set out below:

Sale date	Price	Name of the vessel being sold	Type of vessel	Size (TEU)	Year of built	Yard
21 November 2025	US$120 million	Buenaventura Express	New panamax container ship	13,696	2023	Hyundai Samho Heavy Ind
28 September 2025	Undisclosed	ONE Forever	New panamax container ship	15,258	2024	Jiangsu New Yangzijiang
26 September 2025	Undisclosed	ONE Synergy	New panamax container ship	13,700	2025	Imabari
12 September 2025	Undisclosed	CMA CGM Iguacu	New panamax container ship	14,812	2021	Hyundai Samho Heavy Ind
9 September 2025	Undisclosed	YM Width	New panamax container ship	14,000	2016	CSBC Kaohsiung
26 August 2025	US$118.5 million	Manzanillo Express	New panamax container ship	13,278	2022	Hyundai Samho Heavy Ind
25 August 2025	Undisclosed	YM Truth	New panamax container ship	12,726	2020	Jiangsu Yangzi Xinfu
22 August 2025	Undisclosed	1123861(IMO) Zhoushan Changhong International	New panamax container ship	11,400	2028	Zhoushan Changhong International
22 August 2025	Undisclosed	1123873(IMO) Zhoushan Changhong International	New panamax container ship	11,400	2028	Zhoushan Changhong International
22 August 2025	Undisclosed	1123859(IMO) Zhoushan Changhong International	New panamax container ship	11,400	2028	Zhoushan Changhong International

The above sales are identified through algorithm which is calibrated using confirmed sales prior to 8 December 2025. Based on the Certificate, sales in circumstances which make them unreflective of fair market value are excluded. Calibration is performed by computational algorithms which automatically adjust the parameters of the mathematical functions to best fit the sales data using multiple, nonlinear, constrained and weighted regression analysis.

Specifically, as Buenaventura Express (valued at US$120 million) and Manzanillo Express (valued at US$118.5 million) were constructed in 2023 and 2022, respectively, while the Acquired Vessels are expected to be delivered in 2028 and 2029, respectively, VesselsValue included a premium of approximately 5% over the price of Buenaventura Express when calculating the value of the Acquired Vessels to reflect the difference in the vessel age and the prevailing market conditions.

Based on the Certificate, the market value of the Acquired Vessels is estimated using five factors; Type, Features, Age and Cargo Capacity, and Freight Earnings.

Type

Each vessel type is modelled independently.

Features

Relative scores are assigned to all features recorded in the vessel database.

Age and cargo capacity

The nonlinear dependence of value on age and cargo capacity are modelled using mathematical functions with adjustable parameters which allow them to assume a variety of shapes. Constraints are imposed on these parameters by application of economic principles and broking expertise.

Freight earnings

Time charters, spot freight rates and forward freight agreements are used to create indicators of freight market sentiment for each vessel type. Signal processing techniques are applied to these indicators to maximise their correlation with vessel values.

The market value of the Acquired Vessels provided is an estimate of fair market price, in US Dollars (USD) and is based on the price that the vessel would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt, charter free delivery at an acceptable worldwide delivery port, for cash payment under normal commercial terms. For the purposes of that opinion, it is assumed that the vessel is in good, sound and seaworthy condition, free of maritime liens and all debts whatsoever, fully classed to the

requirements of her present classification society, free of class recommendations, with clean and valid trading certificates, not subject to international sanctions, and where relevant to type and age of vessel with full oil majors, RightShip and any other relevant approvals in place.

Having reviewed the market valuation certificate (including the methodology and the assumptions disclosed above) issued by VesselsValue, the Board is of view that valuation of the Acquired Vessels is fair and reasonable.

VesselsValue is a leading provider of online valuations and market perspective for the maritime industry. Focused on bringing transparency and objectivity to maritime markets, VesselsValue provides data and market insights through online access, reports, API feeds and exports, including automated values, transactions and fleet data, as well as automatic identification system and automatic dependent surveillance-broadcast derived mapping & tracking, demand, utilisation and trade and people flows.

It is currently expected that the purchase price of the Acquired Vessels will be primarily funded by internal resources of the Group including the profit generated from the operation of the Group and by external financing. The Company confirms it will not use the proceeds from its listing on the Stock Exchange to settle the purchase price of the Acquired Vessels.

Reasons for and benefits of the 2026 Shipbuilding Agreements

The Group is an integrated cross-border seaborne logistics service provider in the PRC. The Group currently operates a self-owned fleet of vessels. In the past years, the Group generally utilized its shipping capacity in time charter services after securing sufficient shipping capacity for its integrated cross-border logistics services, with reference to market conditions and charter rates. The Group may adjust its allocation of shipping resources between two business lines based on market conditions from time to time.

Given the Group's experience in operating deep-sea routes, the Directors believe the Acquired Vessels will be able to supplement its existing fleet of vessels and allow the Group to significantly reduce its cost of sales per TEU, offer a competitive price to its customers and improve its sustainability in light of the current volatile market conditions. When demand for cross-border logistics services is high, the Group may deploy the Acquired Vessels to a variety of major routes to provide self-operated cross-border logistics service. When the market condition is fluctuating, the Group may consider chartering out the Acquired Vessels to maintain stable profitability due to their good adaptability and economies of scale.

In view of the above, the Directors consider that, the 2026 Shipbuilding Agreements are not entered into during the ordinary and usual course of business of the Group but the terms of which are on normal commercial terms and are fair and reasonable, in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE ACQUISITION ON THE GROUP

Earnings

Following the delivery of the Acquired Vessels, the income arising from the Acquired Vessels will become revenue of the Group assuming the Acquired Vessels will be used in the time charter services and/or cross border logistics services of the Group and the expenses associated with the Acquired Vessels including the depreciation of the Acquired Vessels and the associated fees such as fuel costs, container costs, port charges, ship management costs, maintenance costs, interest costs and other expenses will become expenses of the Group.

Assets and liabilities

Following the delivery of the Acquired Vessels, the total assets of the Group are expected to increase by approximately RMB1,161,157,760 representing the total consideration for the acquisition of the Acquired Vessels in the amount of US$236 million minus required cash in the amount of US$67.8 million and deposit paid under the letter of intent in the amount of US$3 million whereas the net asset value of the Group is expected to remain unchanged as the increase in property, plant and equipment will be offset by the decrease in cash balances, prepayments and other receivables and increase in liabilities of the Group. The required cash in the amount of US$67.8 million is calculated with reference to total consideration for the acquisition of the Acquired Vessels in the amount of US$236 million minus 70% of the funds from possible financial leasing in the amount of US$165.2 million and deposit paid under the letter of intent in the amount of US$3 million.

INFORMATION ON THE GROUP AND THE PARTIES TO THE 2026 SHIPBUILDING AGREEMENTS

Information on the Group

The Group is an integrated cross-border seaborne logistics service provider in the PRC, the Shares of which are listed on the Main Board of the Stock Exchange.

BAL Qingdao is a company incorporated in Hong Kong with limited liability and is an indirect non-wholly owned subsidiary of the Company. As at the Latest Practicable Date, BAL Qingdao is owned as to 98.9368% by the Company and 1.0632% by 39 other independent shareholders. BAL Qingdao is principally engaged in vessel chartering and operation.

Boan Shipping is a company incorporated in Hong Kong with limited liability and is an indirect non-wholly owned subsidiary of the Company. As at the Latest Practicable Date, Boan Shipping is owned as to 98.9368% by the Company and 1.0632% by 39 other independent shareholders. Boan Shipping is principally engaged in vessel chartering and operation.

Information on China Shipbuilding and Shanghai Waigaoqiao

China Shipbuilding is a corporation organized and existing under the laws of the PRC and is principally engaged in the trading of ships and related equipment. China Shipbuilding is indirectly wholly-owned by State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會) in the PRC.

Shanghai Waigaoqiao is a corporation organized and existing under the laws of the PRC and is principally engaged in the construction of ships. Shanghai Waigaoqiao is a wholly-owned subsidiary of China CSSC Holdings Limited (中國船舶工業股份有限公司), a company listed on Shanghai Stock Exchange (Stock Code: 600150).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, China Shipbuilding, Shanghai Waigaoqiao and their ultimate beneficial owners are Independent Third Parties as at the Latest Practicable Date.

LISTING RULES IMPLICATIONS

The transactions contemplated under the 2026 Shipbuilding Agreements will constitute two acquisitions of the Acquired Vessels by the Group. As one or more of the applicable percentage ratios in respect of thereof (in aggregate) exceeds 25% but all of which are below 100%, the transactions contemplated under the 2026 Shipbuilding Agreements constitute a major transaction for the Company and is subject to the reporting and announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

WRITTEN SHAREHOLDERS' APPROVAL

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the transactions contemplated under the 2026 Shipbuilding Agreements. As such, no Shareholders would be required to abstain from voting in favour of the resolutions approving the 2026 Shipbuilding Agreements.

Pursuant to the Acting in Concert Deed, each of Mr. Xu Xin, Ms. Li Yan and Ms. Liu Quanxiang had agreed and confirmed that from the date they became the registered owners and/or beneficial owners of the equity interests in the Group to the date when any of them ceases to be the controlling shareholder of the Company: (a) they had been and would continue to be parties acting in concert and they had agreed to consult with each other and reach a unanimous consensus among themselves before the decision, implementation and agreement on all material management affairs, voting and/or commercial decisions, including but not limited to financial and operational matters, of any member of the Group; (b) they had cast and would continue to cast their votes as directors and/or shareholders (as the case may be) unanimously for or against all resolutions in all board and shareholders' meetings and discussions of any member of the Group; and (c) they had cooperated and would continue to cooperate with one another to acquire, maintain and consolidate the control and management

of the Group. By virtue of the Securities and Futures Ordinance, each of the ultimate controlling shareholders of the Company together with investment holding companies held or controlled by them (being Lecang Boundless Limited, Lecang Fantasy Limited, Grand Sailing Limited, Lecang Altitude Limited, Peace Seaworld Limited, Lecang Shining Limited, Spring Wealth Limited, Lecang Flourishing Limited and Glorious Sailing Limited) are all deemed to be interested in the total Shares directly held by Lecang Fantasy, Lecang Altitude Limited, Lecang Shining Limited, Lecang Flourishing Limited and Glorious Sailing Limited.

Accordingly, Mr. Xu Xin, Ms. Li Yan and Ms. Liu Quanxiang are entitled to exercise voting rights in 317,106,588 Shares, representing approximately 55.39% of the existing issued share capital of the Company.

On 27 February 2026, the Company obtained an irrevocable and unconditional written approval for the 2026 Shipbuilding Agreements and the transactions contemplated thereunder in accordance with Rule 14.44 of the Listing Rules from Lecang Altitude Limited, Lecang Fantasy, Glorious Sailing Limited, Lecang Shining Limited and Lecang Flourishing Limited, being the beneficial owners of 317,106,588 Shares, representing approximately 55.39% of the existing issued share capital of the Company as at the Latest Practicable Date. Accordingly, the 2026 Shipbuilding Agreements and the transactions contemplated thereunder have been approved by the Shareholders by way of written Shareholders' approval in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the 2026 Shipbuilding Agreements are fair and reasonable and are in the interest of the Company and the Shareholders as a whole. If a general meeting were to be convened by the Company to consider and approve the 2026 Shipbuilding Agreements, the Board would recommend the Shareholders to vote in favour of the resolution to approve the 2026 Shipbuilding Agreements.

ADDITIONAL INFORMATION

Your attention is also drawn to the appendices of this circular.

Yours faithfully,
By order of the Board
LC Logistics, Inc.
Mr. Xu Xin
Chairman of the Board

(1) FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the three financial years ended 31 December 2023, 2024 and 2025 are disclosed in the following documents which have been published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (https://www.lcang.com/):

- Annual report of the Company for the year ended 31 December 2023 (pages 100 to 190) https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0423/2024042301216.pdf

- Annual report of the Company for the year ended 31 December 2024 (pages 128 to 220) https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0422/2025042201625.pdf

- Annual results announcement of the Company for the year ended 31 December 2025 (pages 2 to 12)

(2) INDEBTEDNESS

As at the close of business on 31 January 2026, being the latest practicable date for the purpose of this indebtedness statement, (i) the Group had outstanding interest-bearing bank borrowings of RMB13,000,000, of which RMB10,000,000 were unsecured and guaranteed by a non-controlling shareholder of a subsidiary and independent third parties, and RMB3,000,000 were unsecured and unguaranteed by non-controlling shareholders of a subsidiary and independent third parties; the Group had other borrowings of approximately RMB26,686,000 which were unguaranteed and secured by mortgages over the dry bulk vessel with a net carrying amount of approximately RMB49,303,000; (ii) the Group had outstanding lease liabilities of approximately RMB53,246,000, and the lease liabilities represent the present value of outstanding lease payments under the lease agreements; (iii) the Group did not have any contingent liabilities.

Save as aforesaid, and apart from intra-group liabilities, at the close of business on 31 January 2026, the Group had no other outstanding mortgages, charges, debentures or other loan capital or bank overdrafts or loans or other similar indebtedness, finance lease or hire purchase commitments, liabilities under acceptance or acceptance (other than normal trade bills) credits, debt securities, guarantees or other material contingent liabilities.

(3) FINANCIAL AND TRADING PROSPECTS

The Group continues to operate in the cross-border logistics service and ship leasing sectors, maintaining and operating a fleet of vessels throughout the current fiscal year. The Board expects that, with the available cash on hand, and accessible credit facilities, the Group possesses sufficient financial resources to meet its commitments and working capital requirements. However, the Group recognizes certain special trade factors and risks that may impact its financial and operational performance. These include fluctuations in global trade volumes, changes in international shipping regulations, and volatility in fuel prices, which

could affect operating costs and profitability. Additionally, geopolitical tensions and economic uncertainties in key markets pose potential challenges to trade flows and demand for logistics services. To mitigate these risks, the Group is actively monitoring market conditions and adjusting its strategies accordingly. The Board remains confident in the Group's ability to navigate these challenges and capitalize on opportunities to ensure sustained growth and financial stability in the upcoming fiscal period.

(4) WORKING CAPITAL

The Directors are of the opinion that after taking into account its internal resources, the existing available credit facilities, the indebtedness statement of the Group as set out in the section headed "(2) INDEBTEDNESS" above, the 2026 Shipbuilding Agreements, the Group has sufficient working capital for its present requirements for the next twelve-month period from the date of this circular.

The Company has obtained a letter from its auditor confirming the statement above has been made by the Directors after due and careful enquiry.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of each Director and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its specified undertakings, and associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Name of Director	**Nature of Interest**	**Number of Shares or underlying Shares**[*(Note 1)*]	**Approximate percentage of shareholding**[*(Note 1)*]
Mr. Xu Xin	Founder of a discretionary trust	229,289,424	40.05%
	Interest of spouse	39,232,644	6.85%
	Other[*(Note 2)*]	48,584,520	8.49%
Ms. Li Yan	Interest in controlled corporations	39,232,644	6.85%
	Interest of spouse	229,289,424	40.05%
	Other[*(Note 3)*]	48,584,520	8.49%

Note 1: As at the Latest Practicable Date, the Company issued 572,538,312 Shares. The letter (L) denotes the entity's long position in the relevant Shares.

Note 2: The shares are held by Lecang Flourishing Limited under the Liu Family Trust. Ms. Liu Quanxiang is the settlor of the Liu Family Trust and the mother-in-law of Mr. Xu Xin.

Note 3: The shares are held by Lecang Flourishing Limited under the Liu Family Trust. Ms. Liu Quanxiang is the settlor of the Liu Family Trust and the mother of Ms. Li Yan.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its specified undertakings, and associated corporations (within the meaning of Part XV of the SFO) which is required to be recorded and kept in the register in accordance with Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

As at the Latest Practicable Date, (i) none of the Directors has any existing or proposed service contracts with any member of the Group not determinable by the Company within one year without payment of compensation (other than statutory compensation); (ii) none of the Directors or their respective associates has any interests in any company or business which competes or may compete with the businesses of the Group; (iii) save for the Novation as disclosed in this circular, none of the Directors has or has had direct or indirect interest in any assets acquired or disposed of by or leased to or by or proposed to be acquired or disposed of by or leased to or by any member of the Group since the date to which the latest published audited annual financial statements of the Group were made up; and (iv) there is no contract or arrangement subsisting at the date of this circular in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) have, or were deemed or taken to have interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholders	**Nature of Interest**	**Number of Shares or underlying Shares*(Note 1)***	**Approximate percentage of shareholding*(Note 1)***
Trident Trust Company (B.V.I.) Limited*(Note 3)*	Trustee	200,377,164 (L)	35.00%
Marco Target Development Limited*(Note 3)*	Interest in controlled corporation	151,792,644 (L)	26.51%
Lecang Altitude Limited*(Notes 2, 3)*	Beneficial owner	151,792,644 (L)	26.51%
Peace Seaworld Limited*(Notes 2, 4)*	Interest in controlled corporation	39,232,644 (L)	6.85%

Name of shareholders	Nature of Interest	Number of Shares or underlying Shares(Note 1)	Approximate percentage of shareholding(Note 1)
Lecang Shining Limited(Notes 2, 4)	Beneficial owner	39,232,644 (L)	6.85%
Ms. Liu Quanxiang(Notes 2, 5)	Interest in controlled corporation	317,106,588 (L)	55.39%
Fortune Sino Worldwide Limited(Note 5)	Interest in controlled corporation	48,584,520 (L)	8.49%
Lecang Flourishing Limited(Notes 2, 5)	Beneficial owner	48,584,520 (L)	8.49%
Glorious Sailing Limited(Note 6)	Beneficial owner	60,505,200 (L)	10.57%

Notes:

1. As at the Latest Practicable Date, the Company issued 572,538,312 Shares. The letter (L) denotes the entity's long position in the relevant Shares.

2. Pursuant to the Acting in Concert Deed, each of Mr. Xu Xin, Ms. Li Yan and Ms. Liu Quanxiang had agreed and confirmed that from the date they became the registered owners and/or beneficial owners of the equity interests in the Group to the date when any of them ceases to be the controlling shareholder of the Company: (a) they had been and would continue to be parties acting in concert and they had agreed to consult with each other and reach a unanimous consensus among themselves before the decision, implementation and agreement on all material management affairs, voting and/or commercial decisions, including but not limited to financial and operational matters, of any member of the Group; (b) they had casted and would continue to cast their votes as directors and/or shareholders (as the case may be) unanimously for or against all resolutions in all board and shareholders' meetings and discussions of any member of the Group; and (c) they had cooperated and would continue to cooperate with one another to acquire, maintain and consolidate the control and management of the Group. By virtue of the SFO, each of the ultimate controlling shareholders of the Company together with investment holding companies held or controlled by them (being Lecang Boundless Limited, Lecang Fantasy Limited, Grand Sailing Limited, Lecang Altitude Limited, Peace Seaworld Limited, Lecang Shining Limited, Spring Wealth Limited, Lecang Flourishing Limited and Glorious Sailing Limited) are all deemed to be interested in the total Shares directly held by Lecang Fantasy Limited, Lecang Altitude Limited, Lecang Shining Limited, Lecang Flourishing Limited and Glorious Sailing Limited.

   Lecang Fantasy Limited is wholly owned by Lecang Boundless Limited, which is in turn wholly owned by Mr. Xu Xin. By virtue of the SFO, each of Mr. Xu Xin and Lecang Boundless Limited is deemed to be interested in the 16,991,580 Shares held by Lecang Fantasy Limited.

3. Lecang Altitude Limited is owned as to 99% by Marco Target Development Limited and 1% by Grand Sailing Limited. Marco Target Development Limited is wholly owned by Trident Trust Company (B.V.I.) Limited which is the trustee of the Xu Family Trust set up by Mr. Xu Xin. Accordingly, each of Mr. Xu Xin, Trident Trust Company (B.V.I.) Limited and Marco Target Development Limited is deemed under the SFO to be interested in the Shares directly held by Lecang Altitude Limited.

4. Lecang Shining Limited is wholly owned by Peace Seaworld Limited, which is in turn wholly owned by Ms. Li Yan. Accordingly, each of Ms. Li Yan and Peace Seaworld Limited is deemed under the SFO to be interested in the Shares directly held by Lecang Shining Limited.

5. Lecang Flourishing Limited is owned as to 99% by Fortune Sino Worldwide Limited and 1% by Spring Wealth Limited. Fortune Sino Worldwide Limited is wholly owned by Trident Trust Company (B.V.I.) Limited which is the trustee of the Liu Family Trust set up by Ms. Liu Quanxiang. Accordingly, each of Ms. Liu Quanxiang, Trident Trust Company (B.V.I.) Limited and Fortune Sino Worldwide Limited is deemed under the SFO to be interested in the Shares directly held by Lecang Flourishing Limited.

6. Glorious Sailing Limited is owned as to approximately 79.53% by Mr. Xu Xin (a Controlling Shareholder and executive Director), 4.96% by Ms. Zhu Jiali (朱佳麗) (an executive Director), 3.97% by Mr. Zhang Feng (張峰) (a senior management member), 0.50% by Ms. Ding Sujun (丁素君) (the joint company secretary) and 11.04% by other 10 existing employees of the Group, each of whom is an Independent Third Party save for being an employee of the Group. By virtue of the SFO, Mr. Xu Xin is deemed to be interested in the Shares held by Glorious Sailing Limited.

Save as disclosed herein, as at the Latest Practicable Date, the Company has not been notified of any person (other than Directors or chief executives of the Company) who had an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of other material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited accounts of the Group were made up.

LITIGATION

As at the Latest Practicable Date, no litigation or claim of material importance is known to the Directors to be pending or threatened against any member of the Group.

MATERIAL CONTRACTS

Set out below are the material contracts (not being contracts entered into in the ordinary course of business) entered into by the members of the Group within the two years immediately preceding the date of this circular:

(1) two novation agreements dated 28 June 2024, entered into among Bal Container, Lehang Boundless, Jiangnan Shipyard and China Shipbuilding in relation to the novation of shipbuilding agreements dated 10 June 2022, details of which are disclosed in the announcement of the Company dated 28 June 2024;

(2) two heads of agreements dated 3 July 2024, entered into among Lehang Boundless, Shandong Lcang, Laudine Oceanway Limited (for the vessel with Hull No. H2789), Aludra Oceanway Limited (for vessel with Hull No. H2790) and Conglomerate Maritime Limited S.A. in relation to the novation of shipbuilding agreements dated 10 June 2022 in the aggregate amount of US$133.3 million, details of which are disclosed in the announcement and circular of the Company dated 3 July 2024 and 26 July 2024 respectively;

(3) two novation agreements dated 3 July 2024, entered into among Lehang Boundless, Laudine Oceanway Limited (for the vessel with Hull No. H2789), Aludra Oceanway Limited (for vessel with Hull No. H2790), Jiangnan Shipyard and China Shipbuilding in relation to the novation of shipbuilding agreements dated 10 June 2022, details of which are disclosed in the announcement and circular of the Company dated 3 July 2024 and 26 July 2024 respectively;

(4) two heads of agreements dated 2 September 2024, entered into among Lecang Fantasy and Bal Container (for the vessel with Hull No. H2871 and H2872) in relation to the novation of shipbuilding agreements dated 6 June 2024, details of which are disclosed in the announcement and circular of the Company dated 2 September 2024 and 23 September 2024;

(5) two novation agreement dated 2 September 2024, entered into among Lecang Fantasy, Bal Container, China Shipbuilding and Jiangnan Shipyard (for the vessel with Hull No. H2871 and H2872) in relation to the novation of shipbuilding agreements dated 6 June 2024, details of which are disclosed in the announcement and circular of the Company dated 2 September 2024 and 23 September 2024;

(6) the heads of agreement dated 30 December 2025 entered into between Lehang Boundless Limited and Blue Anchor Oceanway Limited (for the vessel with Hull No. H2872) in relation to the novation of all rights and obligations under the shipbuilding agreement dated 6 June 2024, details of which are disclosed in the announcement and circular of the Company dated 30 December 2025 and 20 January 2026; and

(7) the novation agreement dated 30 December 2025 entered into among Lehang Boundless Limited, Blue Anchor Oceanway Limited, China Shipbuilding and Jiangnan Shipyard (for the vessel with Hull No. H2872) in relation to the novation of all rights and obligations under the shipbuilding agreement dated 6 June 2024, details of which are disclosed in the announcement and circular of the Company dated 30 December 2025 and 20 January 2026.

DOCUMENTS ON DISPLAY

Copies of the following documents will be published and displayed on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (https://www.lcang.com/) for a period of 14 days from the date of this circular (both days inclusive):

(i) the 2026 Shipbuilding Agreements.

GENERAL

(a) The joint company secretaries of the Company are Ms. Ng Sau Mei, a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom and Ms. Ding Sujun.

(b) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

(c) The head office of the Company is situated at 9/F, China Stone Building, 37 Hong Kong Middle Road, Shinan District, Qingdao, Shandong Province, PRC.

(d) The principal share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(e) The English text of this circular shall prevail over the Chinese text.